

ARTICLE APPEARED
ON PAGE 8U.S. NEWS & WORLD REPORT
29 December 1986

ILLNESS SIDELINES WILLIAM CASEY



Casey on Capitol Hill five days before he entered the hospital

Next: A leadership vacuum at CIA?

He is a none-too-robust 73 and after testifying four times in recent weeks on Capitol Hill—the latest, a grueling 5½-hour stint—it was not surprising to hear that CIA Director William Casey was ill. But what shocked Washington last week was word from Georgetown University Hospital that Casey had not simply experienced “mild seizures” but was suffering from a malignant brain tumor. Although his doctors were optimistic after they removed the growth, few expected that the irascible, brilliant Casey would soon resume his post as the nation’s intelligence chief. Moreover, his illness further complicates the search for definitive answers to the Iran-*contra* imbroglio and creates new problems at the suddenly demoralized CIA, which Casey had revitalized during his six-year stewardship. In Casey’s absence, the agency will be guided by Robert Gates, a career CIA man who was appointed second-in-command last April.

Morale at new low

Even before Casey’s mumbling, contradictory testimony to the House Foreign Affairs Committee, an appearance that in the view of several members raised more questions than he was willing—or able—to answer, there was widespread dismay throughout the top ranks of the CIA that Casey’s possible involvement in the highly political Iran-*contra* affair would damage the agency’s newly earned credibility. Intelligence sources say that morale at Langley has plunged almost back to the period

in the ‘70s when the CIA was wracked by wholesale firings, personnel cutbacks and revelations about decades worth of undisciplined adventuring.

What rankles the career CIA hierarchy? Casey testified on Capitol Hill that he was only vaguely aware of the plan to sell arms to Iran and knew nothing of the transfer of weapons and cash to the *contras* until barely a month ago. In fact, intelligence sources have told *U.S. News*, Casey began vigorously promoting overtures to “moderate” mullahs as far back as late 1984. CIA analysts, whose reports were used by Casey in 1985 to promote the rapprochement, now fear their careers may be in jeopardy. While Casey’s role in the diversion of funds to the Nicaraguan rebels remains murky, congressional sources believe he must have known more than he has let on so far. “His role was a hidden, but major one,” alleges one investigator, “a puppeteer who is never seen pulling the strings.”

If Casey remains out of action, the vacuum in leadership could leave the agency vulnerable to a Congress eager to reassert its oversight authority. Indeed, the CIA realizes that an expansive, ascendant era may have ended. “We’re going back to basics,” says one CIA insider. “We’ll focus on more-traditional reports, we’ll take inventory of all covert operations and certainly rein in those that seem risky.”

by Michael Satchell with Steven Emerson